

SOLICITATION, OFFER AND AWARD

1. CERTIFIED FOR NATIONAL DEFENSE
UNDER BDSA REG. 2 AND/OR DMS REG

RATING

PAGE OF

PAGES

2. CONTRACT NO. DE-AC34-95RF00825	3. SOLICITATION NO. DE-RP34-94RF00825	4. TYPE OF SOLICITATION <input type="checkbox"/> ADVERTISED (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)	5. DATE ISSUED	6. REQUISITION/PURCHASE NO. 34-94RF00825.000
7. ISSUED BY USDOE ROCKY FLATS FIELD OFFICE P.O. BOX 928 GOLDEN, CO 80402-0928		8. ADDRESS OFFER TO (If other than Item 7) USDOE RFFO HAND CARRY ONLY BLDG 19 - ROOM 150 1667 COLE BLVD., GOLDEN, CO 80401		

NOTE: In advertised solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository listed in _____ until 3:00 (Hour) local time 3-1-95 (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section I, Provision No. 52.214-7 or 52.215-10. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME RICHARD B WALLACE	B. TELEPHONE NO. (Include area code) (NO COLLECT CALLS) (303) 275-1280
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OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.


12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52-232-8)	10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR Kaiser-Hill Company, LLC 6060 S. Willow Dr. Englewood, CO 80111	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print) George O'Brien President and CEO
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15B. TELEPHONE NO. (Include area code) (303) 771-0900	15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE. <input type="checkbox"/>	17. SIGNATURE 	18. OFFER DATE 4/1/95
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AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT See B.2	21. ACCOUNTING AND APPROPRIATION 89X0242.91 820201000ALFO CI4291 251 CI
22. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM G.3	23. NEGOTIATED PURSUANT TO <input type="checkbox"/> 10 U.S.C. 2304(a) () <input type="checkbox"/> 41 U.S.C. 252(c) ()
24. ADMINISTERED BY (If other than Item 7)	CODE	25. PAYMENT WILL BE MADE BY CODE
26. NAME OF CONTRACTING OFFICER (Type or print) Mark N. Silverman, Manager Rocky Flats Field Office	27. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	28. AWARD DATE 4/14/95

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

PART I - THE SCHEDULE
SECTION B
SUPPLIES OR SERVICES AND PRICES/COST
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SECTION B

Section	Clause Title	Clause Date
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B.6	RESERVED	

SECTION B

SUPPLIES OR SERVICES AND PRICES/COST

B.1 SERVICES BEING ACQUIRED

The Contractor shall furnish all personnel, facilities, equipment, material, supplies, and services (except as may be expressly set forth in this contract as furnished by the Government) and otherwise do all things necessary for, or incident to, providing its best efforts so as to carry out, in an efficient and effective manner, all necessary related services to manage the programs and operate the facilities at the Rocky Flats Site, as set forth in Section C.

B.2 ESTIMATED COST AND FEE

This contract will be in effect for five years, as set forth in F.2 Term of Contract. The total expected budget for this contract is estimated at approximately \$3.75 billion dollars over the five year period. However, because the actual value of the contract will be impacted by the annual appropriations for Rocky Flats, the contract will be modified at least annually to reflect the actual Estimated Cost and Fee, as described in various provisions of this contract.

The Estimated Cost and Fee for this contract is as follows:

<u>Period</u>	<u>Estimated Cost</u>	<u>Fee</u>
July 1, 1995 - Sept 30, 1995	\$136,870,050	\$4,557,775
Oct 1, 1995 - June 30, 1996	<u>\$410,610,150</u>	<u>\$13,673,325</u>
Totals	\$547,480,200	\$18,231,100

The Fee above represents the total potential fee available under this contract. See paragraph B.6, Payment of Base Fee and Performance Based Incentive Fee, below, for further detail regarding the different categories of fee included in the above total.

B.3 OBLIGATION OF FUNDS

The total amount of funds obligated under this contract, in accordance with the clause entitled "Limitation of Funds," is \$100.

B.4 AVAILABILITY OF APPROPRIATED FUNDS

The duties and obligations of the Government calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the Congress, which the Department of Energy may legally spend for such purposes.

B.5 PERFORMANCE BASED INCENTIVE FEE PLAN

(a) Performance Based Incentive Fee Plan for the First Fiscal Year.

- (1) The Contractor's Performance Based Incentive Fee Plan for the fiscal year 1995 beginning with the Effective Date is incorporated into this contract and is set forth in Section J, Attachment H to this contract.

(b) Requirements for the Performance Based Incentive Fee Plan.

- (1) The performance Based Incentive Fee Plan shall consist of specific, objective and measurable performance components (incentive fee components) and associated incentive fee (for both Standard and Stretch incentive fee goals) which may be earned by the Contractor for each incentive fee component. Performance Based Incentive Fee is designed to maximize Contractor performance in the areas set forth in the Contractor's Performance Breakdown Structure (PBS) matrix included in Section J, Attachment I of this contract. All components subject to the Performance Based Incentive Fee shall be related to contract performance for a specific period of time within the term of this contract. Each Performance Based Incentive Fee component consists of: (a) a description of the incentive component; (b) a statement indicating what shall constitute the "earning" of the related Performance Based Incentive Fee for each component for standard performance and stretch performance; (c) the amount of Performance Based Incentive Fee available for each incentive fee component; and (d) the period of contract performance during which the Performance Based Incentive Fee may be earned.
- (2) The initial Performance Based Incentive Fee Plan shall remain in effect for each successive fiscal year except to the extent modified as hereinafter provided. Not later than ninety (90) days prior to the end of each fiscal year, either the Contractor or the Government may initiate negotiations to modify the Performance Based Incentive Fee Plan for the following fiscal year. In such event, the Government and the Contractor shall enter into good faith negotiations for the purpose of reaching agreement on desired modifications. Such negotiations may include, but shall not be limited to, determining the portion of then-available Performance Based Incentive Fee which shall be applied to each existing, new, or revised Performance Based Incentive Fee component. During such negotiations, the Contractor may propose projects, tasks or other incentivized fee components which may qualify for earning of Performance Based Incentive Fee. The contract shall be modified to reflect the revised Performance Based Incentive Fee Plan.
- (3) If the parties are not able to agree upon a Performance Based Incentive Fee Plan or any other proposed change to the Performance Based Incentive Fee Plan, the Contracting Officer shall, not later than thirty (30) days prior to the beginning of such succeeding fiscal year which is the subject of the negotiation, determine the amount of the available Performance Based Incentive Fee allocable for each component. Such determination shall be subject to the clause of this contract entitled "Disputes."

- (4) The Contracting Officer reserves the right to unilaterally modify the Performance Based Incentive Fee Plan at any time due to changes in program requirements, objectives or changes in the amount of funds available for contract performance. This modification shall be provided to the Contractor at least thirty (30) calendar days prior to the effective date of the change, but in no event shall such change be made within sixty (60) days prior to the scheduled completion of any incentive milestone affected by the modification. In the event an equitable adjustment or other Contract modification under any clause of this contract impacts an incentive fee component, the Contracting Officer shall, after considering all relevant circumstances, make an equitable adjustment to the Performance Based Incentive Fee Plan to reflect the changed circumstances.

B.6 PAYMENT OF BASE FEE AND PERFORMANCE BASED INCENTIVE FEE

(a) Base Fee and Performance Based Incentive Fee

The Contractor and DOE hereby agree that a Base Fee and Performance Based Incentive Fee to be determined in accordance with the provisions of this clause shall be paid to the Contractor in accordance with the terms of this contract. Under no circumstances shall the fees established under this provision for Contractor or separately for any of its Subcontractors exceed the statutory limits set forth in FAR 15.903.

(b) Base Fee

- (1) Base Fee for First Fiscal Year. The Contractor's Base Fee is fixed in the amount of \$2,734,665 for the period commencing on the Effective Date of the contract through the completion of the first contract year ending June 30, 1996.
- (2) Base for Subsequent Years. Notwithstanding the provisions of paragraph (b)(1), the Contractor's Base Fee, for each successive fiscal year beginning with fiscal year 1996, will be established through good faith negotiations between the Government and the Contractor, which negotiations shall begin not later than ninety (90) days prior to the beginning of the succeeding fiscal year, or at such other times as the parties deem appropriate, for which the Base Fee is to be negotiated. The agreed upon Base Fee shall be incorporated into the contract through an appropriate modification. In the event that the Government and the Contractor cannot reach agreement as to the Base Fee for such succeeding year, the Contracting Officer shall, not later than thirty (30) days prior to the beginning of the succeeding year, establish the Base Fee. If the Contractor disagrees with the Base Fee so established by the Contracting Officer, this shall constitute a "dispute" within the meaning of the "Disputes" clause of this contract. No deduction shall be made from Base Fee as a consequence of the Contractor's failure to achieve all or any part of the performance objectives set forth in the Performance Based Incentive Fee Plan described below.

- (3) Payment of Base Fee. Contractor's Base Fee for each fiscal year, beginning with the Effective Date, shall be payable prorata throughout the fiscal year for which the Base Fee is applicable. The prorata portion payable shall be invoiced by the Contractor every fifteen (15) days and paid by the Government via wire transfer within thirty (30) days of the invoice date and in accordance with the clause entitled "Allowable Cost and Payment" and the clauses in this contract relating to the assignment of claims and "no-setoff."

(c) Performance Based Incentive Fee

- (1) First Year Performance Based Incentive Fee. The available Performance Based Incentive Fee is \$15,496,435 for the period commencing on the Effective Date of the contract through the completion of the first contract year ending June 30, 1996.
- (2) Performance Based Incentive Fee for Subsequent Years. Notwithstanding the provisions of subparagraph (c)(1), beginning not later than ninety (90) days prior to the beginning of each succeeding fiscal year beginning in fiscal year 1996, or such other appropriate time as mutually agreed, the Government and the Contractor shall conduct good faith negotiations to determine the Performance Based Incentive Fee for the succeeding fiscal year. The contract shall be modified at the conclusion of each such annual negotiation to reflect the negotiated amount of each such annual Performance Based Incentive Fee. If the parties are unable to agree upon the Performance Based Incentive Fee for any particular fiscal year, the Contracting Officer shall, not later than thirty (30) days prior to the succeeding fiscal year, determine the Performance Based Incentive Fee including the Performance Based Incentive Fee components. The Contractor's disagreement with the Contracting Officer's determination shall be deemed a "dispute" under the "Disputes" clause of this contract.

(d) Determination and Payment of Incentive Fee.

- (1) Contractor's Performance Based Incentive Fee consists of two elements identified as Standard Incentive Fee and Stretch Incentive Fee. The specific description and overall allocation of total Performance Based Incentive Fee to each fee component is set forth in the Performance Based Incentive Fee Plan described in paragraph B.5 above.
- (2) Commencing on September 30, 1995 and thereafter on a quarterly basis, beginning with each new fiscal year, the Contractor shall submit an incentive fee statement to the Contracting Officer setting forth the incentive fee component(s) completed in accordance with the Performance Based Incentive Fee Plan and incentive fee due, with appropriate justification and supporting information. Upon receipt of the incentive fee statement by the Contracting Officer, the Contractor shall be paid the incentive fee due in accordance with the incentive fee statement and the payment provisions of this Contract. The determination as to the amount of incentive fee earned shall be based upon the measurable achievement of the incentive fee components established in the Performance Based Incentive Fee Plan. However, the Contracting Officer may unilaterally determine whether the Contractor is

entitled to all or any portion of the incentive fee for each incentive fee component in accordance with the terms of this clause and terms of the incentive fee component. If the Contractor disagrees with the determination as to the amount of incentive fee earned, this shall constitute a "dispute" within the meaning of the "Disputes" clause. Contractor shall be entitled to payment of that portion of the incentive fee determined by the Contracting Officer not in dispute.

- (3) The Contractor shall be promptly, but no less than 15 days after receipt of the incentive fee statement, advised in writing by the Contracting Officer of the Performance Based Incentive Fee determination. In the event the Contracting Officer determines the Contractor is not entitled to all or any portion of an incentive fee, the Contractor shall also be advised of the reasons why the incentive fee was not earned.
- (4) The Contracting Officer shall pay to the Contractor the incentive fee so determined, no later than thirty (30) calendar days after receipt of the Contractor's invoice for earned incentive fees.

(e) Loss of Incentive Fee

In addition to other conditions or limitations imposed on the earning of incentive fees, and to incentivize worker, public, and environmental protection and the use of appropriate safeguards against the loss of special nuclear and classified materials, at the discretion of the Contracting Officer, all or any portion of the incentive fees earned in a given period may be withheld under the following circumstances:

- (1) Category 1 (fatality; severe incident involving multiple, severe injuries; property loss, damage, or other significant event the cost of which to the Government exceeds \$10,000,000; felony conviction or criticality event)

Consequence - loss of incentive fee for the incentive fee period in which the event occurs.

- (2) Category 2 (significant offsite releases for which a notice of violation carrying a fine or penalty in excess of \$100,000 has been issued against the Contractor or one of its prime subcontractors; significant legal or regulatory noncompliance resulting in the payment of a fine or penalty by the Contractor or one of its prime subcontractors in excess of \$100,000; RFCA compliance violation)

Consequence - loss of incentive fees earned from the activities responsible for incident

- (3) Category 3 (significant negative trend in the occurrence of off-normal events)

Consequence - loss of 50% of incentive fees earned from activities responsible for incident.

SECTION C
STATEMENT OF WORK
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SECTION C

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SECTION C

STATEMENT OF WORK

C.1 Introduction

The purpose of this section is to describe the scope of work which shall be performed under this contract for the period from July 1, 1995, through June 30, 2000. All document References are listed in Section J, Attachment C, and are part of this Statement of Work (SOW).

C.2 General Information on the Rocky Flats Environmental Technology Site (RFETS)

(a) Mission

The Rocky Flats Plant (RFP) was originally part of the U. S. Department of Energy's (DOE) Nuclear Weapons Complex, but is now being cleaned up under DOE's Environmental Management program. The primary mission now includes environmental restoration, waste management, Special Nuclear Material (SNM) management, and the determination of appropriate future site uses. Since the Secretary of Energy's January 1992 and the April 1993 announcements that plutonium manufacturing and production contingency missions would cease, the new mission of the Rocky Flats Environmental Technology Site (RFETS) is directed toward cleanup, deactivation, and preparation for decontamination and disposition of facilities.

The RFETS mission must be accomplished so as to maintain the site in a safe condition for the workers, the public, and the environment and by complying with all applicable laws, regulations and agreements. Preparation for future site use activities includes preliminary characterization and shutdown of facilities and evaluation of each facility's readiness to meet turnover requirements. Future site use will be determined jointly with all stakeholders, including regulators. RFETS maintains a high standard for site operations that has been achieved through implementation of Conduct of Operations for safety, environment, safeguards and security functions. These standards will be maintained during all activities leading to turnover of the Site for future uses.

(b) Site and Regional Information

RFETS is located in northern Jefferson County, approximately 16 miles northwest of downtown Denver. The main site is a 384-acre complex consisting of manufacturing, chemical processing, and laboratory and support facilities. It is situated within a 6,500 acre preserve which functions as the site's buffer zone.

Approximately 2 million people live within a 50 mile radius of RFETS. The proximity of the Denver metropolitan area, and its growth, have caused increased interest in RFETS in recent years. The type and quantity of materials at RFETS have presented health, safety and environmental concerns. Although studies have shown that air and water qualities are in compliance with federal and state standards, there is public and media sentiment that RFETS is not a "safe" neighbor.

The Region VIII Environmental Protection Agency (EPA) Office and the Colorado Department of Public Health and Environment (CDPHE) are key influences on the daily operations at the site. Interagency Agreements (IAG) and Compliance Orders are driving schedules for environmental activities. The RFETS is also subject to oversight by the Defense Nuclear Facilities Safety Board, an independent agency created to monitor operations and safety-related activities at the Department of Energy's nuclear facilities.

(c) Condition of Facilities

The site was built in the early 1950's and consisted of approximately 20 major structures with 700,000 sq. ft. of floor space. Subsequent additions have increased that capacity to approximately 3,000,000 sq. ft. of floor space in over 135 structures. Most of the buildings used in the past for production are over 30 years old. The condition of the aging facilities has resulted in increased maintenance costs and the need for equipment replacement. The utility systems infrastructure (including steam, electrical, and mechanical, heating, ventilation and air conditioning) of RFETS must be maintained for 20 to 30 years in order to ensure a safe, secure, environmentally sound, and cost effective operation until current and future missions are accomplished.

(d) Mission Projections and Resource Requirements

RFETS issues to be addressed include: adequate space to support personnel levels, safety and health, security, environmental drivers, waste storage, processing, and analytical lab capabilities. Mission resource requirements will continue to be in the areas of facilities, structures, utilities, equipment, special materials, and a skilled employee base. A graded approach on safety, security, and general operations is being pursued to ensure that necessary and sufficient standards are met in each area. In order to comply with current orders and regulations, additional requirements have been identified in the areas of waste processing, storage, and laboratories.

(e) Future Land Uses

Identification of alternatives and evaluation of options for each building and land use are integral to the future site use planning. It is intended that the 384-acre area be maintained as the primary work area and to preserve or improve the condition of the buffer zone. With stakeholder involvement, a long range future site plan will be developed by the end of 1995.

(f) Utility Sources, Capacity and Distribution/Collection System Configurations for the Next 20 Years

The majority of utility systems at RFETS are over 30 years old and require upgrades and high levels of maintenance to ensure operational capability for the next 20 to 30 years. There are projects to repair, replace or otherwise improve many of these utility systems. However, due to budget constraints and cutbacks, some of these projects are being downscoped, delayed or canceled. This will result in some systems continuing to deteriorate, increased maintenance and repairs, and potentially costly emergency repairs. This will place a burden on the continued operability of the site's infrastructure. Major utility systems, sources, capacity, and future requirements include:

(1) A renovation of the site's electrical distribution system is taking place under the Infrastructure Replacement Program. This renovation will provide reliable electric service, improve operational flexibility for existing loads, allow for future expansions that will be required by future D&D and waste operations which includes: 1) construction of a new 115/13.8-kV substation, 2) replacement of the B881 transformers, and 3) installation of an upgraded 13.8-kV overhead distribution system (This portion may be postponed or canceled due to reduced funding which may result in more costly maintenance and repairs).

(2) Natural gas is purchased from Public Service Company of Colorado (PSC) under a series of contracts negotiated through the Defense Fuel Supply Center (DFSC). Fuel oil is used as a backup for natural gas in the Central Steam Plant. Approximately 2,700,000 gallons of fuel oil are maintained in storage to provide 150 days of Central Steam Plant operation. Natural gas is fed from an 8-inch natural gas line that passes by the site and feeds suburban Denver. Line capacity is only taxed by industrial and residential customers during extended sub-zero weather. There are no capacity changes anticipated for natural gas. Natural gas and fuel oil capacity are adequate to meet future mission needs.

(3) Raw water is purchased from the Denver Water Board. Water is received from Ralston Reservoir by pipeline or from Gross Reservoir via a canal. A 1,500,000-gallon raw water storage pond is on site. Raw water lines that feed the site are 10-inch lines. The raw water supply is adequate to meet future mission needs.

(4) Domestic water is provided by a Water Treatment Facility onsite. The Water Treatment Plant can process 1,000,000 gallons of water per day. There is onsite storage capacity for 1,250,000 gallons of domestic water. The present treatment system capacity is adequate to meet future mission needs.

(5) Steam is provided by the Central Steam Plant, which has four 75,000 pound per hour natural gas boilers. At least one boiler is usually down for maintenance. No increase in capacity is planned for the Central Steam Plant and the deficiencies are being addressed in the 1991 Infrastructure Replacement Program, Central Steam Plant Renovation. Capacity of the distribution and condensate return system is adequate and will only require periodic repair and replacement.

(6) Nitrogen is provided by an onsite facility, currently operated under a lease-purchase contract with Air Products and Chemicals, Inc. The Nitrogen Plant will become an DOE-owned facility in 1995. The Nitrogen Plant has a maximum capacity of 183,000 standard cubic feet per hour. No changes are planned for the Nitrogen Plant, which will be required as long as gloveboxes and SNM are onsite.

C.3 General Management Guidelines

DOE is responsible for: all programmatic, policy and funding decisions, the establishment of goals and objectives, and monitoring the performance of the Integrating Management Contractor (Contractor) and its subcontractors. DOE will hold the Contractor fully

accountable for the entire scope of work as described in this contract including the performance of its subcontractors. The Contractor shall manage the site using integrated program plans, schedules and cost control systems to ensure that the RFETS mission is accomplished in a timely and cost-effective manner. DOE will conduct audits and surveillances of all aspects of the terms of this contract to ensure compliance with the terms of this SOW. The results of the audits and surveillances will be resolved through the Contractor. DOE reserves the right to intervene any time imminent danger to workers or the public is identified.

This work shall be managed by a Contractor who is expected to subcontract major work efforts to specialized subcontractors to achieve the RFETS mission. The Contractor will be responsible for assuring that all work on site, including that done by subcontractors, is done safely. The Contractor will determine the subcontract structure to best manage operational and functional requirements and tasks common to the entire site.

Subcontractors will be tasked to perform specific work. The Contractor shall ensure that most of the work is accomplished using performance based subcontracting through the use of fixed price, cost plus incentive fee, cost risk sharing arrangements, the leveraging of government dollars with private investments where appropriate, and the use of performance based measures, incentives, and cost savings initiatives. Performance-based contracting requires that all aspects of an acquisition be structured around the purpose of the work to be performed. It emphasizes objective, measurable performance requirements and quality standards in developing statements of work, selecting subcontractors, determining subcontract type and incentives, determining subcontract costs/profit/fees/prices and performing subcontract administration. The subcontracting strategy is to provide increased competition, appropriate use of small and small disadvantaged businesses (see Section I), increased subcontractor accountability, the privatization of work when it is to the government's advantage, and access to new technologies or "outside" technologies not presently being used to solve RFETS' problems.

The Contractor shall ensure that RFETS is managed, maintained, and operated within available funds and shall conduct all necessary and required operations and related services. Specific fiscal year direction shall be provided by DOE in the annual Program Execution Guidance and approved Management Control System Baseline and shall be incorporated into this contract on a fiscal year by fiscal year basis. References 2 through 7 describe important aspects of the RFETS planning, budget and finance processes. Reference 37 is guidance applicable to the RFETS Integrating Contractor.

C.4 Description of Work

(a) Integrating Contractor Tasks

The Contractor shall implement an innovative and efficient management system for RFETS and shall implement quality, timely, and cost-effective programs and operations. The Contractor shall ensure all work is conducted in a manner that complies with applicable human health, safety and environmental regulations; promotes and improves productivity and minimizes waste; and complies with regulatory requirements, agreements and guidance. Compliance shall be included in the integrated planning described below.

The Contractor shall develop and maintain, in close coordination with the Department of Energy Rocky Flats Field Office (RFFO), a sitewide integrated information system capable of implementing outreach and public information programs that are progressive and produce positive public support and involvement

in RFETS' activities. The Contractor shall ensure that communication is directed to all RFETS stakeholders, including the RFETS workers, public, regulatory agencies, and special interest groups. Specific responsibilities will include media relations, community relations, employee communications and media arts.

The Contractor is responsible for establishment and operation of a joint Employee/Contractor Management Safety Committee representing contractor, subcontractor, and union employees.

The Contractor shall manage the site using integrated program plans and schedules based on the RFETS Strategic Plan. The RFETS Strategic Plan can be found in Reference 1. The plans shall describe activities over multiple years and shall be implemented and updated through a site management and work prioritization system. The Contractor shall define, for DOE approval, the performance objectives on a fiscal year by fiscal year basis; select appropriate subcontractors to achieve these objectives; and establish an effective performance measurement system that includes incentives and productivity goals to monitor performance and to ensure that work is properly prioritized and accomplished in the most cost effective, safe, secure, and environmentally sound manner possible. Economic conversion shall be considered in the Contractor's integrated planning through the identification of short and long-term planning activities to ensure that the ultimate use of the site is compatible with the DOE and stakeholder group concerns, and that the logic to achieve these goals is well understood, contains a structure that helps facilitate economic conversion, and is implemented in a timely, cost-effective manner. The Contractor shall comply with DOE orders and other standards as identified in Attachment F of Section J until DOE approves a different set of orders and standards requirements. The Contractor shall identify, in concert with the appropriate subcontractor(s), applicable DOE Orders and other Standards which are only necessary and sufficient, subject to DOE approval, for the conduct of the work. The level of protection provided by standards is to be based on the level of risk for the work to be accomplished (a graded approach to risk management).

The RFETS Site is subject to oversight by the Defense Nuclear Facilities Safety Board (DNFSB), an independent agency created to monitor operations and safety-related activities at the Department of Energy's nuclear facilities.

Reference 36 contains all DNFSB recommendations and DOE's responses to date. The Contractor shall ensure compliance with the DOE responses and implementation plans as directed by the Contracting Officer.

The Contractor shall ensure that sitewide operational systems are maintained such that emergency responses to fire, hazardous material or radiological incidents are managed successfully. Included is the management of the Emergency Operations Center and oversight of the central alarm system.

The Contractor shall develop and implement a surveillance, tracking and reporting system to ensure site compliance with applicable human health, safety, and environmental regulations, consent orders and agreements and applicable DOE Orders/Standards and quality assurance requirements. This includes the reporting and documenting of unplanned occurrences such as spills, fires, damage to operating systems, personnel accidents, and exposure to hazardous material, subsequent critiques, disposition of unplanned occurrences, and tracking of corrective actions. A systematic approach is required to ensure that all agreements with regulatory agencies are complied with fully. References 8 and 40 through 45

are the agreements, consent orders, judicial orders and permits to which RFETS has committed to compliance. The Contractor shall ensure that all subcontractors meet the terms and conditions of these agreements in the performance of this contract.

The Contractor shall ensure that all personnel, facilities, equipment, material, supplies, and services, except as may be expressly set forth in this contract and as furnished by the Government, are available to satisfy the terms of this contract. Further, the Contractor shall take all actions necessary for, or incident to, providing all necessary and related services to manage and subcontract for the programs and operations of the facilities at RFETS as described in this SOW.

(b) Environmental Restoration

Environmental Restoration includes all aspects of characterization, assessment, and cleanup of contaminated facilities and surrounding areas which are no longer in use at RFETS. Effective programs for environmental restoration and other environmental activities must be established and maintained to ensure compliance with the Federal Facility Compliance Act and the Federal Facility Agreement and Consent Order, also known as the Interagency Agreement (IAG) and any modifications to these (See Reference 8). Key to meeting these responsibilities is the implementation of a strong, innovative environmental restoration program. Contractor support shall be provided to the DOE for any meetings or negotiations with regulatory agencies or other stakeholder groups, such as the Citizen's Advisory Board. This support shall include technical and legal analysis of issues, development of presentations and participation in meetings.

The Contractor shall develop and implement a plan based on the IAG and the DOE RFETS Strategic Plan for the clean-up of the site in concert with DOE, regulatory groups, and other stakeholders. The Contractor shall institute the environmental restoration program in a manner which leads to increasing DOE, regulatory, and public confidence in the clean-up. Program elements will include: (1) implementing comprehensive project management systems to track progress, ensure regulatory compliance, and increase cost effectiveness of work activities; (2) developing integrated plans and schedules for incorporating input from DOE, regulators, and other stakeholders into cleanup activities; (3) maintaining sufficient technical depth to propose and manage cleanup activities effectively; (4) implementing an outreach program to compare assessment and cleanup approaches and performance at RFETS to comparable cleanup techniques and performance at other DOE and private sector sites; and (5) implementing appropriate cleanup technologies based on these assessments.

The Contractor must ensure that cleanup activities are conducted in accordance with necessary and sufficient standards and requirements. The Contractor shall: (1) maintain the safety of workers and the public; (2) demonstrate tangible cleanup accomplishments; (3) comply with RFETS commitments as described in the Interagency Agreement (Reference 8) and any modifications thereto; (4) accelerate potential early cleanup actions in a manner consistent with regulatory requirements; (5) track and quantitatively compare progress at RFETS with the best of other government and industry sites; (6) increase work efficiency to significantly lower cleanup costs to increase the amount of cleanup accomplished; and (7) propose regulatory and stakeholder interaction strategies to DOE.

(c) Waste Management

All waste management activities shall be managed in an integrated manner such that similar wastes are managed consistently and in compliance with all applicable regulatory requirements. Plans for all waste, whether generated by processing, manufacturing, research activities, or site cleanup activities, shall be fully implemented to ensure appropriate characterization, treatment, storage, transportation, disposal and technology development. Also, waste minimization, through reuse, recycle, and reclamation, must be integrated across all program boundaries including waste management, decontamination and decommissioning, building and project operations, and environmental restoration. The Contractor shall ensure that effective programs for integrated waste management are established and executed at RFETS. References 9 through 20 and 40, 41, 44 and 45 describe key aspects of the RFETS waste management program.

Waste to be managed includes the following types: hazardous chemicals, medical, sanitary, low-level radioactive, transuranic and residue (also transuranic once considered to be recoverable, but now considered to be waste) wastes, and mixtures of these wastes. These wastes exist as both solids and liquids at RFETS. Reference 18 describes the inventory of waste presently being managed at RFETS.

The Contractor shall ensure that the following tasks are successfully accomplished: (1) program planning and information management, budgeting, and tracking functions for all waste management activities; (2) waste minimization to reduce the volume and toxicity of all RFETS waste streams through source reduction, recycling, reuse, and reclamation; (3) solid and liquid waste operations, waste storage operations, and associated building and operations support; and (4) Waste Isolation Pilot Project experimental waste characterization to support the pre-test characterization, real-time radiography, nondestructive radio assay, head space gas sampling, analytical characterization of waste and data validation as described in Reference 20.

Waste activities include: (1) timely characterization, appropriate consolidation and segregation of waste; (2) treatment that complies with storage and/or disposal criteria; (3) expedient shipment of waste for treatment, storage and/or disposal; and (4) maintenance of adequate waste storage space at RFETS to accommodate waste generation and the waste backlog.

The Contractor shall provide responsive and complete waste management services for characterization, treatment and storage through the appropriate use of existing facilities, new facilities, the private sector, and DOE capabilities. This shall be accomplished in compliance with the Federal Facility Compliance Act (FFCA) and, as required by the FFCA, the Consent Order that will be signed with the State of Colorado. RFETS must comply with other Federal and State compliance agreements which affect RFETS' decisions on waste management.

The Contractor's short and long-range plans and activities for RFETS treatment, storage, and disposal must be coordinated and integrated with DOE's national waste management program and the RFETS Strategic Plan.

The Contractor shall ensure that all environmental, waste, remediation and operations activities are fully integrated such that all regulatory requirements and agreements are met.

(d) Environmental and Ecological Monitoring

The Contractor shall ensure that all environmental monitoring activities are conducted in compliance as necessary with air, water, and soil monitoring and reporting requirements as described in national, state, and local environmental laws, regulations, orders, and directives as they apply to the RFETS Site. The Contractor shall ensure that sampling, analysis, and tracking meets regulatory and quality control/assurance requirements and monitoring and analyses are performed according to procedures and on schedule. References 21 through 23 describe this program in greater detail.

The Contractor shall further ensure that all operations, projects and activities under its direct and indirect control, and under the control of its subcontractors comply with all applicable Federal, State of Colorado, and local environmental statutes addressing natural, archeological and historical resources as defined in those statutes. Included are those statutes that address the health and/or well-being of abiotic and biotic resources, both on the Site and directly or indirectly associated with the Site, for which DOE has obligations and responsibilities as a Federal agency and as a natural resource co-trustee. The Contractor shall conduct monitoring of these resources as required and/or necessary to compile and maintain an inventory of the resources, evaluate their condition, and assure their continued survival and/or enhancement.

(e) Laboratory Management

The Contractor shall develop, implement, and maintain a laboratory management program with sufficient laboratory capacity to support necessary operations, landlord sampling and analysis requirements, and other analytical services in a timely and cost-effective manner. Planning needed for successful laboratory management includes: (1) ensuring short and long-term laboratory capacity and capability needs are met; (2) that newly developed analytical technologies are incorporated into testing protocols as appropriate; and (3) that new concepts in sampling and analysis are developed. Minimizing waste and reducing hazardous waste management costs are also Contractor responsibilities. Timely sample results that meet sitewide program requirements are essential. This capability shall be obtained from the source (through the use of on and off-site laboratory capacity) that delivers the most cost-effective results while maintaining compliance with other applicable requirements (Reference 24).

(f) Environmental and Material Management Technology Development

The Contractor shall ensure the development of processes and technologies for waste treatment, environmental restoration, air, water, and soil monitoring, decontamination and decommissioning, material management, and radioactive assays, including those described in Reference 25. Where appropriate, the various processes shall be integrated into systems to resolve the complex problems of backlogged waste, waste being generated by normal site operations, and future wastes that will be generated by such activities as environmental restoration and decontamination and decommissioning (D&D). Fundamental, scientific, and engineering expertise will be employed to meet the existing regulatory requirements for developing treatments for mixed waste as stipulated in the current Comprehensive Treatment and Management Plan and the future requirements of the Site Specific Treatment Plan which is a requirement under the Federal Facilities Compliance Act. Transfer of RFETS technologies to the private sector is also required.

(g) Special Material Management

The Contractor shall ensure that nuclear material is properly managed. This includes safe storage and handling, container design, fabrication and certification, material control and accountability in accordance with International Atomic Energy Agency requirements (this includes the acceptance of bilateral inspections and definitive accountability for controlled nuclear material), and the treatment of materials containing Special Nuclear Material (SNM) by processing to a more desirable form for long-term storage. The shipment of SNM stockpiles and the consolidation of SNM into buildings on-site for long-term storage is required to allow nuclear buildings to be deactivated for clean-up. See References 27 through 29 for more information.

The Oxnard Facility, located in southern California, will continue to produce stainless steel forgings through December 1995. During this prebuild production, the Contractor may enter into technology demonstration programs to develop interest in economic development of the facility upon the cessation of these production operations. At the start of CY 1996, economic conversion of the facility may occur, or the Contractor will be responsible for decommissioning and dismantlement of the facility, as directed by DOE.

Processing for declassification of classified non-nuclear parts, tooling, and records, may be required. Safe and secure storage of beryllium, steel, and depleted uranium stocks will be required. These activities are discussed in References 26 and 29.

(h) Building Management

The Contractor shall ensure that nuclear and non-nuclear buildings comply with appropriate safety procedures and infrastructure as described by Conduct of Operations, Conduct of Maintenance, and Work Control documents and that the modification or repair of systems and processes can be accomplished to allow certain treatment, packaging, transportation and/or storage functions to occur. Compliance with the approved building authorization basis is required by this contract for all nuclear buildings. This includes the development, use and modification, as appropriate, of safety analysis reports, operations safety requirements/technical safety requirements (OSR/TSR), and hazard classification documents. A graded approach to building management shall be developed and implemented based on the hazards contained in each building to ensure cost-effective compliance without compromising worker or public health and safety. An important activity to reducing risks and costs in RFETS buildings is to take unneeded systems out of service to eliminate surveillance and maintenance requirements. The specific requirements associated with conduct of operations in the RFETS buildings are described in greater detail in References 7 and 30 through 34.

The Contractor shall ensure that the operators of nuclear buildings at RFETS comply with certain surveillance requirements including OSR/TSR Limiting Conditions of Operations, occurrence reporting, and other surveillances. The Limiting Conditions of Operations Surveillance includes periodic (shift, daily, monthly, quarterly, etc.) surveillance and reporting of vital safety systems' status. Occurrence Reporting involves the reporting and documentation of unplanned occurrences such as spills, fires, damage to operating systems, personnel accidents,

and exposure to hazardous material and includes critiques, disposition of unplanned occurrences, and tracking of corrective actions.

Other required surveillances include periodic inspections of general facilities, and equipment not covered by OSR/TSR such as fire extinguisher inspection, door security checks, housekeeping inspections, and criticality drain inspections. These surveillances also include the inventories of SNM, performance of self-assessments and evaluations, oversight, assurance audits, programmatic reviews, and quality assurance surveillances.

The Contractor must ensure that those activities needed to safely operate a building such as operations management, utilities, maintenance, nuclear safety activities (some buildings), environmental compliance, health and safety practices, technical and custodial support are provided. Other activities include radiological and industrial safety, As Low As Reasonably Achievable (ALARA) compliance, lockout/tagout controls, filter changes, monitoring of control rooms and vital safety systems operation, security alarms, the central and secondary alarm stations, plant radio systems, verification of conduct of operations and maintenance, waste storage area inspections, and where required, that criticality safety operating limits are correct and complied with fully. Also included are building specific clean-ups (asbestos abatement, for example), document control and records management, implementation of job specific training requirements and ensuring staff compliance with these requirements, and ensuring that building specific expertise is available when needed to manage the building(s) in as efficient and cost-effective a manner as possible.

Building maintenance includes preventive and corrective maintenance, ensuring that materials and equipment comply with standards and are properly calibrated, environmental corrective actions and minor construction. The inspection and calibration of in-process and test equipment to maintain chemical, dimensional, and/or physical standards is required. Also included are building modifications that must be made to correct specific environmental deficiencies to comply with environmental orders, laws and regulations.

(i) Site Support

Site support and services are those functions necessary for the operation of the 10 square mile RFETS' site. The Contractor shall integrate and manage the general RFETS' operations and maintain a centralized planning capability which can respond to changes in site requirements.

The Contractor shall ensure the implementation of standards and services on a sitewide basis. The Contractor shall implement and manage all sitewide support programs including support and services to the RFFO, other RFFO prime contractors, subcontractors, and itself, as appropriate. The Contractor shall ensure that common services are provided for: a comprehensive, integrated and independent environment, safety, health, nuclear and criticality safety program; emergency management; real property management; common engineering support; and common RFETS facilities. Some of the key common support functions are:

- Performance based training, surveillances, cafeterias, convenience copiers, information/document management, facilities planning, engineering services, property management and inventory control, records management, automatic data processing support and printing services.

- Inventory management, site laundry operations, vehicle and grounds maintenance, on-site transportation services, landfill operations, sewage treatment plant operations, recertification of non-destructive assay standards, filter maintenance (including high efficiency particulate air filter testing and changeouts), general services administration fleet maintenance, government-supplied personal equipment records and databases, traffic operations, and the supplying of water, fuel, and electricity to RFETS.
- Public and worker safety and health including programs for medical assistance, radiation monitoring and protection, Occupational Safety and Health Act compliance in the areas of industrial hygiene and occupational safety, industrial hygiene, emergency health care for workers, surveillance of current and former workers for various health concerns, emergency preparedness and response including management of the emergency operations center, fire protection, fire safety, and employee assistance.
- Development, documentation, and maintenance of safety analysis procedures, records, accident analysis methods, hazard assessments, evaluations to maintain the safety basis and authorization basis of facility operations, analytical capabilities and maintenance of risk assessment guides.
- Development, documentation and maintenance of criticality safety evaluations, safety limits, design configuration controls, procedures, manuals and administrative controls and analytical capabilities.
- Technical assistance, guidance and oversight to ensure adequate nuclear and criticality safety program implementation, including policy and standards, and support to the emergency response organization.
- Implementation of Price Anderson Act (PAA) Nuclear Safety Rules; References 38 and 39 describe DOE's implementation plans for the PAA.
- Sitewide engineering common support functions including central design records management, site design standards, design control procedures, work control procedures, technical material procurement support, safety analysis reviews, site infrastructure technical support, general design criteria, energy management, and capital assets management.
- Additional services include: telecommunications, procurement, computer training, media arts, and operation and maintenance of the central computing facility.

(j) Safeguards and Security

The Contractor must ensure the availability of a safeguards and security program for the protection of the RFETS assets on a 24-hour-a-day basis. The level of protection must be appropriate and cost-effective in response to the value of the assets, the potential threat to them, and the established requirements. The protection of SNM and management of the Special Response Team required for response to threats to SNM, personnel security including badge access control and a personnel reliability program for employees who have hands-on access to

Categories I and II Special Nuclear Material, and emergency preparedness is included in this program.

The Contractor shall ensure that competently trained, fully qualified, uniformed, and well-disciplined protective force personnel are available to RFETS security functions to safeguard SNM, classified materials, and government property against theft or diversion. In addition, the Contractor shall ensure the performance of other functions such as access control. Before assuming job duties, protective force personnel shall be cleared to the appropriate level for the work to be performed, fully trained and qualified, successfully complete drug testing, and remain cleared and qualified.

(k) Architect Engineering

The Contractor shall ensure availability of services in support of construction projects. Typical projects include but are not be limited to: D&D of nuclear and non-nuclear facilities; placing buildings in safe standby; nuclear and non-nuclear storage vaults, staging, and transport facilities; hazardous waste and RCRA compliance facilities; waste processing facilities; facility modifications and upgrades; and sitewide electrical, mechanical, and civil/structural upgrades.

Architect Engineering services include technical studies and analysis, cost and schedule risk analysis, trade off studies, conceptual designs, Design Criteria, Conceptual Design Reports, Title I and Title II design, support for project cost estimating, permitting support, regulatory support, schedule development, National Environmental Policy Act support, Title III design support, and, life-cycle cost analysis, and safety analysis studies.

(l) Construction Management

Construction management provides for the management and control of all construction activities at RFETS. This includes capital funded construction (General Plant Projects and Line Item Construction Projects), capital equipment, and expense projects funded with operating funds.

The Contractor shall ensure the availability of services in support of: construction and construction management services; procurement of construction-related material and equipment; inspection and acceptance of Government Furnished Equipment or Government Property; construction reviews; component testing and inspection; construction engineering; recommended spare parts list; development of or provision of operations and maintenance manuals; Title III Inspection and Acceptance of construction and documentation; and other appropriate Construction Management products and services.

The Contractor shall ensure that the management, supervision, labor, material and equipment necessary for the safe performance of construction, construction management, repair, and other construction-related services in accordance with applicable OSHA standards is accomplished.

(m) General Management and Administration

The Contractor shall provide effective and efficient general management for the site including program management functions necessary for the operation of an integrated site system that will control and accomplish work in a clear, concise and

orderly manner. The general management activities shall include, but are not limited to: legal services, audit services, business systems management, human resources, budget preparations, financial management, academic affairs, and industrial relations. References 2 through 7 describe important aspects of the RFETS planning, budget and finance processes. Also included is the Displaced Worker Assistance Program which considers voluntary and involuntary separation payments, benefits continuation plans, career assistance, relocation allowances, training and retraining, peer displacement advisor support, planning/survival workshops, and support to the Rocky Flats Local Impacts Initiative and the Labor Management Council.

The Contractor shall prepare (a minimum of) one annual Site-wide budget request. The budget request shall provide detail for the three short-range years (beginning with the current year) as well as four long-range years. The schedule for preparation of the budget request will be contained in the annual budget call, but generally will commence in early December and will be completed in mid-April with the RFFO submission to DOE Headquarters. Supplemental information may be required from the Contractor to support the request through the Departmental and Congressional review processes.

The submission shall be in accordance with (1) the DOE Unified Field Budget Call (or its successor guidance), (2) specific programmatic guidance, and (3) supplemental guidance issued by the RFFO. In addition, this budget request shall also comply with the provisions of the DOE Budget Handbook, and all applicable DOE regulations.

In the event that more than one annual budget request is required, the Contractor shall submit all supplemental budget requests in accordance with the guidance issued by RFFO.

RFFO will conduct validations of the Baseline and the budget requests. The Contractor shall document the preparation of estimates included in both and support the validation effort by providing requested information and explanations required by the RFFO FCFO.

(n) Economic Conversion

Economic conversion, the process of converting RFETS from weapons program activities to commercial or community activities, will require active Contractor participation. Economic conversion shall be fully considered in the RFETS Strategic Plan and the Contractor's integrated planning activities to ensure that the ultimate use of the site is compatible with the DOE, regulatory agencies, and stakeholder groups' concerns and that the logic to achieve these goals is well understood, contains a structure that helps facilitate economic conversion, and is implemented in a timely, cost-effective manner (Reference 35 provides an example currently being used).

C.5 System of Records

The Contractor shall design, develop, and operate the following systems of records on individuals to accomplish an agency function to which the requirements of 5 USC 552a. are deemed applicable.

CONTRACTORS SYSTEM

DOE SYSTEM: CODE & NAME

Contractor Executive Compensation	DOE-14 - Report of Compensation
General Training Records	DOE-28 - General Training Records
U.S. Government Drivers Permit -	DOE-32 - Government Motor Vehicle
Use and Control of Government Vehicles Operators Records	DOE-38 - Occupational and Industrial Accident Records
Investigative Reports	DOE-47 - Security Investigative Reports Investigations
Unusual Incident Reports	--
Employee / Visitor Access Control	DOE-51 - Employee and Records Visitor Access Control
Report Non-Sino Soviet Block, Alien Visit	DOE-52 - Aliens Visits and Form RL-335 Participation

The Contractor shall perform this requirement in accordance with the Privacy Act of 1974 and regulations issued thereunder, and Section I, "Privacy Act" of this contract.

If DOE requires the Contractor to design, develop, or operate additional systems of records on individuals to accomplish an agency function, DOE shall so notify the Contractor in writing identifying which of these functions of design, development, or operations are to be performed and such notification shall automatically become a part of the work statement of this contract.

SECTION J
ATTACHMENT G
KEY PERSONNEL

CONTRACT NO. DE-RP34-94RF00825

SECTION J

ATTACHMENT G

Kaiser-Hill PBIMC
Key Personnel

Name	Title
George O'Brien	President and CEO
Nancy Tuor	Vice President, Economic Conversion and Communications
Gary Voorheis	Vice President, Special Material Management and Integration
Robert Card	Vice President, Environmental Management and Integration
Calvin Waller	Vice President, Site Operations and Integration
Vik Mani	Vice President, Technical Systems and Services
Leonard Martinez	Vice President, Management and Administrative Systems and CFO
Stanley Bensussen	General Counsel and Internal Auditor
David Belak	Manager, Planning and Integration
Anthony Buhl	Vice President, Environmental Safety & Health and Quality
Robert McKay	Manager, Standards Integration
Saundra Enrietto	Manager, Quality Systems and Integration
Donald Ferguson	Manager, Engineering Integration and Risk Management
Daniel McCormick	Manager, Labor Relations
Willie Loud	Manager, Diversity
Peter Hannan	Manager, Human Resources
Ben Evans	Manager, Engineering and Construction Projects
Richard Kell	Manager, Safety Engineering
Linda Bateman	Manager, Technology Development
Eileen Simmons	Manager, Laboratory Services
Norman Sandlin	Manager, Contracts and Procurement
William Harroun	Manager, Project Controls

SECTION J
ATTACHMENT H
PERFORMANCE BASED INCENTIVE FEE PLAN

Contract No. DE-RP34-94RF00825
Section J
Attachment H
Performance-Based Incentive Fee Plan

INTRODUCTION

Purpose

To provide policy and procedures and assign responsibilities for evaluating contractor performance and to determine the amount of incentive fee earned by the Contractor.

Scope

The provisions of this plan apply to all elements of the U.S. Department of Energy, Rocky Flats Field Office (RFFO) under contract DE-RP34-94-RF00825.

Policy

Contractor will exercise due diligence in the conduct of all contract activities. Management systems will be in place and enforced to ensure that effective procedures are developed and implemented. The contractor's failure to oversee, through acts of commission or omission, the conduct of its operations and all of its employees that potentially or actually cause property damage, loss, endanger safety, health or environment, or compromise the ability of the DOE or RFFO to carry out its mission, will be weighed in the performance ratings. By the same standard, the performance ratings will not be adversely affected if the Contractor raises safety, health or environmental issues to the appropriate DOE Assistant Secretary, or designee, for resolution. Furthermore, the performance ratings will not be adversely affected if the Contractor stops an activity that is deemed unsafe even though the Contractor's action may appear to be contrary to DOE or RFFO direction.

Responsibilities and Procedures

The responsibilities and procedures associated with contractor incentive performance evaluation are established in this plan.

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REVIEW AND APPROVAL OF CONTRACTOR'S EARNED INCENTIVE FEE

Applicability

This plan provides policy and procedures, and assigns responsibilities for determining the amount of incentive fee earned by the Contractor in performance of the contract DE-RP34-94RF00825.

The objective of the incentive fee provisions of the contract is to afford the Contractor an opportunity to earn performance-based incentive fee commensurate with the achievement of measurable optimum contract performance. Optimum performance is not necessarily equated with the highest level of performance achievable in all incentivized areas. Rather, it represents the most favorable degree of performance obtainable in light of the Contractor's most effective use of available resources. In addition to providing special emphasis to the Performance Measures identified in this plan, the Contractor is responsible for striving to attain the highest standards of excellence in executing its responsibilities under the contract as measured against performance measures consistent with best-available practices. Contractor will utilize its self-assessment program to measure progress against the standard and stretch incentive fee goals. The Contractor will receive favorable consideration schedule relief for identifying problems to DOE, and developing and implementing corrective actions.

Responsibilities

The Manager of RFFO, or Acting Manager in the Manager's absence, is the Officer responsible for approval of the Performance Evaluation Plan (Evaluation Plan).

Fee Determining Official

The Manager of RFFO will act as the Fee Determining Official (FDO). The FDO reviews the incentive fee recommendations submitted by the Contractor and makes determination of the amount of incentive fee earned by and payable to Contractor for each evaluation period.

PROCEDURES

Evaluation Periods

Contractor entitlement to performance incentives for the period will be determined in accordance with Section B of contract DE-RP34-94RF00825. Interim determination may be performed, at the discretion of the FDO, indicating the quality of performance, highlight any deficiencies, and identify areas needing improvement. Interim evaluations will not be formally reviewed by the Fee Determining Official. Interim evaluations will normally be provided to the Contractor's General Manager. The Contractor's General Manager will be responsible for scheduling follow-up discussions if any are required on the interim determinations as considered appropriate.

Descriptive standards and stretch goals (see Attachment I Performance Breakdown Structure to Contract DE-RP-34-94RF000825) are provided for the overall determination process. Percentage weights are also assigned by Attachment I.

Preparation of Performance Evaluation Plans

The Contractor shall prepare for each evaluation period a draft Performance Evaluation Plan including the Performance Breakdown Structure stipulating the requirements upon which performance will be assessed. The Evaluation Plan includes performance measures and relative weightings. The Evaluation Plan shall be submitted to the Contracting Officer for approval. A copy of the Evaluation Plan shall be provided to the Contracting Officer 90 calendar days before the start of the evaluation period.

The Performance Measures will focus on major priority issues. The Performance Measures include "standard" and "stretch" measures to accomplish what is expected. Suggested Performance Measures may be submitted to the Contracting Officer by any RFFO division director for consideration as part of the Evaluation Plan.

Performance Evaluation Reporting

Evaluation Period Reports - By no later than 15 business days after the end of the evaluation period, the Contractor will compile an analysis report demonstrating the performance goals accomplished during the period. This report addresses each performance goal included in the Evaluation Plan. The report will be submitted to the Contracting Officer for review and approval.

Formal Recommendation to the Fee Determining Official

The Contracting Officer shall review the Contractor's Evaluation Report no later than seven calendar days after the receipt of the report, unless extended by the FDO, and provide recommendations to the FDO.

Incentive Fee Determination

The Fee Determining Official shall render a written decision on the amount of incentive fee earned by the Contractor. This decision will consider the information contained in the Contractor's Report and Contracting Officer recommendation and any other sources of information germane to the incentive fee determination process. This Contractor will be notified on the Fee Determining

Official's decision within 30 business days after the receipt by the Contracting Officer of the Contractor's self-evaluation report.

The Fee Determining Official's determination as to the amount of incentive fee earned is subject to the provision of Contract No. DE-RP34-94RF00825.

DOCUMENTATION AND REPORTS

General Introduction

The Contractor will compile data to submit evaluation reports for purposes of supporting the incentive fee determination process for the U.S. Department of Energy, Rocky Flats Field Office (RFFO) administered Performance-Based Integrating Management Contract (PBIMC).

Determinations of Contractor performance made by RFFO employees under the cognizance of the director, will be provided in writing to the Contracting Officer through their respective supervisors. Those DOE employees who report to other RFFO organizations will provide their determinations through their chain of command to their assistant manager, with copies of such determinations submitted by division directors to the Contracting Officer.

Contracting Officer Recommendation

The Contracting Officer recommendation will be transmitted to the Fee Determining Official by memorandum reflecting the following identifying information:

- Title of report
- Contractor and contract number
- Period covered by report
- Signature, title of the person signing the report, and the date signed.

This will be accomplished in a transmittal memorandum to which the report(s) and evaluation(s) are attached.

The enclosures to the Contracting Officer's recommendation memorandum will be structured as follows:

Enclosure 1

- Summary of Performance Areas - A tabulation of Performance Area/Assigned Value/Recommended Value/Incentive Payment Value.
- Summary of Incentive Payment - As above, if the areas are further combined for presentations to the Contractor.
- Summary of All Periods - A tabulation of Performance Evaluation period/Incentive Fee Value/Performance Value/ Incentive Payment Value/Total Possible Incentive Fee
- Grading Table.

Enclosure 2

- Draft Letter to the Contractor - This is the letter notifying the Contractor of the Fee Determining Official's decision. It is prepared for the RFFO Manager's signature.

The Contracting Officer's recommendation should consider RFFO employee observations of Contractor performance. The Contracting Officer should assure that any pertinent performance information obtained during the period which influenced his/her findings and recommendations is included in the Report.

SECTION J
ATTACHMENT I
PERFORMANCE BREAKDOWN STRUCTURE

ATTACHMENT NO. I

Kaiser-Hill Performance Breakdown Structure

Kaiser-Hill Major Objectives	Kaiser-Hill Goal	Fee % 1st Year	Performance Measures							
			FY95		3 Quarters FY96		FY96		Beyond	
			Standard	Stretch	Standard	Stretch	Standard	Stretch		
Critical Mission Objective #1. (C1) SNM consolidation, Shrink the PA, Safeguards	Consolidate SNM in B371 and shrink the protected area by the end of FY00	20	<ul style="list-style-type: none"> Complete drum venting of at-risk drums Repackage all items in contact with plastic Complete 50% of B991 consolidation 	<ul style="list-style-type: none"> Complete processing of low-level tanks in B771 Complete B991 consolidation Place PCM-1B into service in one 700 area building 	<ul style="list-style-type: none"> Complete processing of LL tanks in B771 Complete B991 consolidation 	<ul style="list-style-type: none"> Complete processing of 60% of high-level tanks in B771 Complete shipping of HEU solutions No OSR violations due to procedure non-compliance Complete ORR for liquid stabilization in B371 Complete B779 ORR for salt scrubbing and install process to support combustible processing Complete installation of PCM-1Bs in 700 area buildings Complete B779 consolidation 	<ul style="list-style-type: none"> No OSR violations due to procedure non-compliance Complete b779 ORR for salt scrubbing and install process to support combustible processing Complete blending and shipping of EU solutions Complete B779 consolidation 	<ul style="list-style-type: none"> Complete processing of 80% of high-level tanks in B771 Complete DOR salt processing Establish authorization basis for consolidation in B371 Complete stabilization of unstable materials (50 kg @ 800°C) 	<ul style="list-style-type: none"> Consolidate SNM in B371 and shrink the PA by end FY00 Complete all salt and combustible processing by FY97 Complete all ash processing by FY98 Drain and process hold up solutions in B371 by FY98 Complete 1000°C stabilization by FY00 Complete consolidation of B776/777 by FY97, B771 by FY98 and B707 by FY99 Decontaminate all rooms in B371 that require routine entry to off-mask conditions by FY99 	
	Excess M&E inventoried, declassified and/or shipped off site or turned over to beneficial use by FY97			<ul style="list-style-type: none"> Inventory of classified M&E and declassification / disposition strategy complete 		<ul style="list-style-type: none"> All precious metals shipped off site 		<ul style="list-style-type: none"> All DU shipped off site B460 clear of M&E and made available for other uses 	<ul style="list-style-type: none"> All M&E declassified (where possible), decontaminated (where necessary) and dispositioned by FY97 	
Critical Mission Objective #2 (C2). ER risk reduction and completion	<ul style="list-style-type: none"> Accelerate ER risk reduction to reduce public and worker risk by 90% by FY98 Revise cleanup strategy with DOE and the regulators/ stakeholders (goals beyond FY98 will be developed as the ER plan is to maximize funds transfer (up to 80% of current \$140M budget) to SMM after 90% ER risk reduction) 	20	<ul style="list-style-type: none"> Conduct Regulatory Summit within 30 days following takeover Revise ER risk baseline and prioritization Obtain necessary approvals for site-wide No Further Action (NFA) criteria 	<ul style="list-style-type: none"> Conduct Regulatory Summit prior to takeover Provide strategy and regulatory basis that results in release of most of buffer zone for general public access Complete 1 of top 10 priority IHSSs Complete 3 hot spot removals 	<ul style="list-style-type: none"> Provide technical and regulatory basis to support DOE in achieving regulatory approval for: Site-wide NFA criteria Reduce ER risks by 25% by: <ul style="list-style-type: none"> Remediating 3 of top 10 IHSSs Remediating 40% of all identified hot spots 	<ul style="list-style-type: none"> Provide technical and regulatory basis to support DOE in achieving regulatory approval of revised ER strategic plan deliverables and milestones Reduce ER risk by 30% by: <ul style="list-style-type: none"> Remediating 4 of top 10 IHSSs Remediating 50% of identified hot spots 	<ul style="list-style-type: none"> Reduce ER risk by 30% by: <ul style="list-style-type: none"> Remediating the top 10 IHSS Remediating 50% of all identified hot spots 	<ul style="list-style-type: none"> Provide technical strategy and regulatory basis to support DOE in achieving regulatory approval of revised ER strategic plan deliverables and milestones Reduce ER risk by 40% by: <ul style="list-style-type: none"> Remediating 5 of the top 10 IHSS Remediating 60% of identified hot spots 	<ul style="list-style-type: none"> Reduce ER risk by 90% in FY98 by: <ul style="list-style-type: none"> Remediating the top 10 IHSS Remediating 100% of identified hot spots Complete remediation/ closure of: original landfill (OU5), Solar Ponds (OU4), present landfill (OU7), and OU6 IHSS not affected by D&D, all in FY97 	
Critical Mission Objective #3 (C3). Site Conversion	Release 4,100 acres (60%) of site for general public access by the end of FY96 (conversion beyond what is dependent on cost-effective end state determination and building demolition vs mothball economics and safety)	10	<ul style="list-style-type: none"> Achieve agency MOU to work toward Superfund site boundary redefinition 	<ul style="list-style-type: none"> Redefine the Superfund site boundary Release 1,900 acres for general public access 	<ul style="list-style-type: none"> Redefine the Superfund site boundary Release 1,900 acres for general public access Support DOE in cost-effective end state determination and conversion model approval 	<ul style="list-style-type: none"> Support DOE in cost-effective end state determination and conversion model approval by 1/96 	<ul style="list-style-type: none"> Achieve agreement to release 2,200 additional acres for general public access 	<ul style="list-style-type: none"> Release 2,200 additional acres for general public access 		
Critical Support Objective #4 (S1). WM support and risk reduction	Achieve zero impact on SNM, ER or Conversion due to lack of planned WM capacity by FY96	10	<ul style="list-style-type: none"> Expedite off-site shipment of LLW by 10% over FY95 baseline Complete a CDR for an on-site LLW/LLMW disposal cell (CAMU or Class C Landfill) Develop waste prioritization approach and waste minimization baseline and have pilot charge-back system ready for implementation by the end of FY95 	<ul style="list-style-type: none"> Expedite off-site shipment of LLW by 20% over FY95 baseline Provide technical strategy and regulatory basis to support DOE in achieving regulatory approval to convert OU4 funding to build an on-site LLW/LLMW disposal cell (CAMU or Class C Landfill) Complete feasibility study and planning for privatized radioactive and LDR waste treatment facility 	<ul style="list-style-type: none"> Expedite off-site shipment of LLW by 80% over FY95 baseline Complete siting and engineering design of CAMU or Class C Landfill Implement pilot charge-back program and reduce unit non-ER waste cost by 5% over the FY95 baseline Reduce forecasted ER waste by 10% over the FY95 baseline (200,000 cy) 	<ul style="list-style-type: none"> Expedite off-site shipment of LLW by 100% over FY95 baseline Complete construction and permitting for CAMU or Class C Landfill Reduce non-ER waste cost by 10% over the FY95 baseline Reduce forecasted ER waste by 15% over the FY95 baseline (200,000 cy) Obtain DOE authorization for privatization of radioactive/ LDR waste treatment facility Privatize and/or send off site solid sanitary waste 	<ul style="list-style-type: none"> Expedite off-site shipment of LLW by 100% over FY95 baseline Complete construction/ permitting of CAMU or Class C Landfill Reduce non-ER waste cost by 15% over the FY95 baseline Reduce forecasted ER waste by 20% over the FY95 baseline (200,000 cy) Complete comprehensive WM plan and waste minimization strategy 	<ul style="list-style-type: none"> Expedite off-site shipment of LLW by 200% over FY95 baseline Complete construction/ permitting of CAMU or Class C Landfill and begin operations Reduce non-ER waste cost by 20% over the FY95 baseline Reduce forecasted ER waste by 30% over the FY95 baseline (200,000 cy) Implement a full-scale generator charge-back program for WM services 	<ul style="list-style-type: none"> Zero delays experienced by WM customers by FY97 Reduce non-ER waste cost by 40% over the FY95 baseline by the end of FY98 Reduce forecasted ER waste by 50% over the FY95 baseline (200,000 cy) by FY98 Begin operations of privatized radioactive/ LDR treatment facility by FY98 	

Exhibit 2.E-3 [NEW] - continued

KAISER-HILL's PERFORMANCE OBJECTIVES, GOALS, AND MEASURES

Kaiser-Hill's performance measures ensure that we will meet RFETS Strategic Goals and Objectives.

Kaiser-Hill Major Objectives	Kaiser-Hill Goal	Fee % 1st Year	Performance Measures							
			FY95		3 Quarters FY96		FY96		Beyond	
			Standard	Stretch	Standard	Stretch	Standard	Stretch		
Critical Support Objective #4 (S1). continued	Reduce the risk to the workforce and the public by 90% by end FY98		<ul style="list-style-type: none"> Conduct risk screening analysis using estimates to baseline the current risk and prioritize the top 10 risk areas 	<ul style="list-style-type: none"> Conduct risk screening analysis and complete 50% of first risk reduction item 	<ul style="list-style-type: none"> Gain approval of the final risk screening analysis and complete mitigation of 40% of the top 10 risk items 	<ul style="list-style-type: none"> Complete mitigation of 50% of the top 10 risk items 	<ul style="list-style-type: none"> Complete mitigation of 50% of the top 10 risk items 	<ul style="list-style-type: none"> Complete mitigation of 60% of the top 10 risk items 	<ul style="list-style-type: none"> Reduce WM risk by 90% by FY98 	
Integrating Objective # 1 (I1). Safety & Health	Establish and implement a mature behavior-based ES&H program that supports a culture of continuous improvement resulting in decreasing risk to workers and the public.	10	<ul style="list-style-type: none"> Establish a baseline of unsafe acts by a review of past surveillance records, occurrence reports, and audits Conduct a survey and demonstrate a 10% reduction in unsafe acts 	<ul style="list-style-type: none"> Demonstrate a 25% reduction in unsafe acts 	<ul style="list-style-type: none"> Demonstrate a 50% reduction in unsafe acts 	<ul style="list-style-type: none"> Demonstrate a 75% reduction in unsafe acts 	<ul style="list-style-type: none"> Demonstrate a 60% reduction in unsafe acts 	<ul style="list-style-type: none"> Demonstrate an 80% reduction in unsafe acts 	<ul style="list-style-type: none"> Demonstrate a 95% reduction in unsafe acts 	
	Ensure funding allocations and safety considerations are based on rank ordered risks.		<ul style="list-style-type: none"> 50% baseline hazards identified 	<ul style="list-style-type: none"> 100% baseline hazards identified 	<ul style="list-style-type: none"> 75% baseline technical hazards assessment completed and deployed in decision analysis 	<ul style="list-style-type: none"> 100% baseline technical hazards assessment completed and deployed in decision analysis 	<ul style="list-style-type: none"> 75% comprehensive risk assessment completed and deployed in decision analysis 	<ul style="list-style-type: none"> 100% comprehensive risk assessment completed and deployed in decision analysis 		
	Ensure that subcontractors meet minimum qualifications for work at the site and that they have a qualified and verifiable ES&H program		<ul style="list-style-type: none"> Audit 75% of existing EG&G site subcontractors during transition and eliminate those with unsatisfactory ES&H records and programs Validate programs of remaining contractors and complete formal review of safety performance 	<ul style="list-style-type: none"> Audit 100% of existing site subcontractors during transition and eliminate those with unsatisfactory ES&H records and programs Validate programs of remaining contractors and complete formal review of safety performance 	<ul style="list-style-type: none"> Attain a 25% decrease in audited subcontractor deficiencies compared to 7/95 baseline 	<ul style="list-style-type: none"> Attain a 50% decrease in audited subcontractor deficiencies by 1/96 compared to 7/95 			<ul style="list-style-type: none"> Attain a 95% decrease in audited subcontractor deficiencies compared to 7/95 baseline 	
	Attain VPP STAR status		<ul style="list-style-type: none"> Complete baseline OSHA survey in major facilities by end of FY and disposition 75% of RAC 1 deficiencies as they are identified 	<ul style="list-style-type: none"> Complete baseline OSHA survey in major facilities by end of FY and disposition all RAC 1 deficiencies as they are identified 	<ul style="list-style-type: none"> Complete baseline OSHA survey in major facilities by 1/96, disposition RAC 1 deficiencies as they are identified, disposition all OSHA RAC 2 and 3 deficiencies by 6/96 	<ul style="list-style-type: none"> Disposition all OSHA RAC 2 and 3 deficiencies by 3/96 	<ul style="list-style-type: none"> Achieve zero OSHA deficiency status for deficiencies remaining uncorrected for greater than 60 days Achieve 1.0 EMR rating 	<ul style="list-style-type: none"> Achieve zero OSHA deficiency status for deficiencies remaining uncorrected for greater than 60 days Achieve <1.0 EMR rating 	<ul style="list-style-type: none"> Attain VPP STAR status by FY98 Achieve 0.75 EMR rating Zero fatalities throughout the contract 	
	Eliminate criticality safety procedural infractions		<ul style="list-style-type: none"> Reduce occurrence of new potential criticality safety procedural violations by 25% 	<ul style="list-style-type: none"> Reduce occurrence of new potential criticality safety procedural violations by 40% 	<ul style="list-style-type: none"> Reduce occurrence of new potential criticality safety procedural violations by 40% 	<ul style="list-style-type: none"> Reduce occurrence of new potential criticality safety procedural violations by 60% 	<ul style="list-style-type: none"> Reduce occurrence of new potential criticality safety procedural violations by 45% 	<ul style="list-style-type: none"> Reduce occurrence of new potential criticality safety procedural violations by 65% 	<ul style="list-style-type: none"> Reduce occurrence of potentially new criticality safety procedural infractions to zero Correct 100% of all open criticality procedural infractions 	
	Nuclear safety				<ul style="list-style-type: none"> Reduce backlog of USQs by 75% 	<ul style="list-style-type: none"> Reduce backlog of USQs 100% 				
	Reduce incident radiological exposure levels		<ul style="list-style-type: none"> Eliminate any internal radiation exposure to any individual which would exceed accumulated dose of 150MR whole body EDE 	<ul style="list-style-type: none"> Eliminate any internal radiation exposure to any individual which would exceed accumulated dose of 100MR whole body EDE 	<ul style="list-style-type: none"> Eliminate any internal radiation exposure to any individual which would exceed accumulated dose of 100MR whole body EDE and eliminate any skin contamination which would result in a residual skin exposure of 15MR or greater 	<ul style="list-style-type: none"> Eliminate any skin contamination which would result in a residual skin exposure of 10MR or greater 	<ul style="list-style-type: none"> Eliminate any internal radiation exposure to any individual which would exceed accumulated dose of 100MR whole body EDE and any residual skin contamination which would result in a skin exposure of 10MR or greater 	<ul style="list-style-type: none"> Eliminate any internal radiation exposure to any individual which would exceed accumulated dose of 90MR whole body EDE 	<ul style="list-style-type: none"> Zero skin contamination Zero RWP violations 	
Integrating Objective # 2 (I2). Environmental Compliance and Stewardship	Implement a regulatory and production strategy that ensures 100% compliance (see ER risk reduction and completion for more detail on environmental compliance)	5	<ul style="list-style-type: none"> Receive no NOV's Meet all negotiated milestones 	<ul style="list-style-type: none"> All fee in standard measure for this objective 	<ul style="list-style-type: none"> Receive no NOV's Meet all negotiated milestones 	<ul style="list-style-type: none"> All fee in standard measure for this objective 	<ul style="list-style-type: none"> Receive no NOV's Meet all negotiated milestones 	<ul style="list-style-type: none"> All fee in standard measure for this objective 	<ul style="list-style-type: none"> Receive no NOV's and meet all negotiated milestones 	
Integrating Objective #3 (I3). Cost Reduction and Management	Accomplish staffing plan proposed as initiative a.1 in Criterion 2.A, then reduce site population employed by IMC and major first-tier subcontractors to less than 2,000 by FY00	10	<ul style="list-style-type: none"> Accomplish 40% of initiative a.1 proposed in Criterion 2.A 	<ul style="list-style-type: none"> Accomplish 60% of initiative a.1 proposed in Criterion 2.A 	<ul style="list-style-type: none"> Accomplish 65% of initiative a.1 proposed in Criterion 2.A 	<ul style="list-style-type: none"> Accomplish 75% of initiative a.1 proposed in Criterion 2.A 	<ul style="list-style-type: none"> Accomplish 75% of initiative a.1 proposed in Criterion 2.A 	<ul style="list-style-type: none"> Accomplish 100% of initiative a.1 proposed in Criterion 2.A 	<ul style="list-style-type: none"> Reduce IMC plus major first-tier subcontractor employees to less than 2,000 by FY00 	

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Exhibit 2.E-3 (NEW) - continued

KAISER-HILL's PERFORMANCE OBJECTIVES, GOALS, AND MEASURES.

Kaiser-Hill's performance measures ensure that we will meet RFETS Strategic Goals and Objectives.

Kaiser-Hill Major Objectives	Kaiser-Hill Goal	Fee % 1st Year	Performance Measures							
			FY95		3 Quarters FY96		FY96		Beyond	
			Standard	Stretch	Standard	Stretch	Standard	Stretch		
Integrating Objective # 4 (I4). Workforce Performance	By statistically valid survey (Organizational Diagnostic System), bring workforce into upper 30% of industry average regarding productivity, safety, quality, and accountability (this will be accomplished in the face of staff reductions above)	10	• Achieve a 10% increase in workforce performance as measured by the survey from prior to transition to end FY	• Achieve a 20% increase in workforce performance as measured by the survey from prior to transition to end FY	• Achieve a 20% increase in workforce performance as measured by the survey from prior to transition	• Achieve a 35% increase in workforce performance as measured by the survey from prior to transition	• Achieve a 25% increase in workforce performance as measured by the survey from prior to transition	• Achieve a 40% increase in workforce performance as measured by the survey from prior to transition	• Achieve an upper 30% ranking for general industry by the end of FY99	
Integrating Objective # 5 (I5). Social, Admin, and Security	Accomplish 40% (28%/12% SB/SDB) subcontracting (\$)	5	• Accomplish 10% (7%/3% SB/SDB) subcontracting (\$)	• Accomplish 15% (11%/4% SB/SDB) subcontracting (\$)	• Accomplish 15% (11%/4% SB/SDB) subcontracting (\$)	• Accomplish 20% (14%/6% SB/SDB) subcontracting (\$)	• Accomplish 15% (11%/4% SB/SDB) subcontracting (\$)	• Accomplish 20% (14%/6% SB/SDB) subcontracting (\$)	• Accomplish 40% (28%/12% SB/SDB) subcontracting (\$) by FY00	
	Achieve 99% performance based subcontracting (hours)		• Achieve 20% performance based subcontracting	• Achieve 25% performance based subcontracting	• Achieve 45% performance based subcontracting	• Achieve 70% performance based subcontracting	• Achieve 50% performance based subcontracting	• Achieve 80% performance based subcontracting	• Achieve 99% performance based subcontracting	
	Establish best-in-class, DOE-approved property management system reducing the cost of lost property by 90% to \$250K/year by FY00		• Implement automated property management system capable of life-cycle tracking and develop policies and procedures	• Implement automated property management system capable of life-cycle tracking and develop policies and procedures and complete 30% (\$) of inventory	• Complete automated property management inventory and marking by 3/1	• Complete automated property management inventory and marking by 1/1	• Property loss held to less than \$1M	• Property loss held to less than \$500K	• Property loss held to less than \$200K by FY00	
	Obtain overall satisfactory ratings on announced I&E surveys		• Obtain overall satisfactory ratings on 70% of programmatic areas on announced I&E security surveys with no unsatisfactory areas	• Obtain overall satisfactory ratings on announced I&E security surveys with no marginal areas	• Obtain overall satisfactory ratings on 70% of programmatic areas on announced I&E security surveys with no unsatisfactory areas	• Obtain overall satisfactory ratings on announced I&E security surveys with no marginal areas	• Obtain overall satisfactory ratings on 70% of programmatic areas on announced I&E security surveys with no unsatisfactory areas	• Obtain overall satisfactory ratings on announced I&E security surveys with no marginal areas	• Obtain overall satisfactory ratings on announced I&E security surveys with no marginal areas each year	

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